



# Southeastern Idaho News

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA & POWER COUNTIES

## ECONOMIC TRENDS

Seasonal layoffs in food processing during August and contract expirations at telephone call centers in the Pocatello Metropolitan Statistical Area were more than offset by increased government employment in road construction, recreation and firefighting and bigger payrolls in leisure and hospitality because of new motels and restaurants opening. Construction jobs remained ahead of last year's number, significant since it counters the state and the nation. The 240-person increase in unemployment was the result of the summer layoff at the Con Agra plant in American Falls. The region overall had fewer people without jobs in August than a year earlier as shown in Southeastern Idaho Table 2. The civilian labor force may have contracted because workers left the area to stay with the harvest. Exceptionally hot weather and low irrigation supplies pushed most harvest activities ahead of schedule, and grain harvest crews were out of the area before mid-August.

## RESEARCH EXPANDS IN SOUTHEASTERN IDAHO

Research is beginning to be recognized in eastern Idaho as an industry and an economic stimulus.

Idaho State University has long been known for its outstanding educational programs, most notably in pharmacy and business, but it seems recently that the school has become recognized for its out-

Southeastern Idaho Table 1: Pocatello MSA Labor Force & Employment Bannock and Power counties

	Aug 2007*	Jul 2007	Aug 2006	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	44,460	44,160	45,030	0.7	-1.3
Unemployment	1,310	1,070	1,800	22.4	-27.2
% of Labor Force Unemployed	2.9	2.4	4.0		
Total Employment	43,150	43,090	43,230	0.1	-0.2
<i>Unadjusted</i>					
Civilian Labor Force	43,990	44,500	43,630	-1.1	0.8
Unemployment	1,080	880	1,670	22.7	-35.3
% of Labor Force Unemployed	2.5	2.0	3.8		
Total Employment	42,910	43,620	41,960	-1.6	2.3
<b>JOB BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>					
<i>Goods-Producing Industries</i>	6,130	6,120	5,940	0.2	3.2
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,170	2,130	2,130	1.9	1.9
Manufacturing	3,930	3,960	3,780	-0.8	4.0
Food Manufacturing	1,260	1,330	1,230	-5.3	2.4
Fabricated Metal Product Manufacturing	170	180	170	-5.6	0.0
Machinery Manufacturing	300	300	260	0.0	15.4
Other Manufacturing	2,200	2,160	2,120	1.9	3.8
<i>Service-Providing Industries</i>	33,630	33,550	32,910	0.2	2.2
Trade, Transportation & Utilities	7,410	7,430	7,460	-0.3	-0.7
Wholesale Trade	1,360	1,360	1,390	0.0	-2.2
Retail Trade	4,680	4,710	4,590	-0.6	2.0
Utilities	50	50	50	0.0	0.0
Transportation & Warehousing	1,320	1,310	1,430	0.8	-7.7
Information	700	700	700	0.0	0.0
Financial Activities	2,290	2,270	2,140	0.9	7.0
Professional & Business Services	5,630	5,730	5,420	-1.7	3.9
Educational & Health Services	3,410	3,390	3,180	0.6	7.2
Leisure & Hospitality	3,480	3,430	3,700	1.5	-5.9
Other Services	1,200	1,190	1,160	0.8	3.4
Government Education	4,170	4,190	4,520	-0.5	-7.7
Government Administration	5,340	5,220	4,630	2.3	15.3

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Southeastern Idaho Table 2: August 2006 to August 2007 Comparison of Number Unemployed by County

County/Area	August 2006	August 2007
Bannock	1,352	941
Bear Lake	82	61
Bingham	474	293
Caribou	133	89
Franklin	166	90
Oneida	42	29
Power	443	285
State of Idaho	25,223	17,890

standing research. The hiring of Arthur Vailas as university president added momentum. Idaho State University's nine research institutes and centers are tackling some of life's most important challenges. This research stimulates the economic life of the community and region and perhaps even the nation and world. In addition to providing a job for those directly involved in doing the research, there are many related jobs. The research firm used by the Idaho Department of Labor for evaluating the affect of new jobs on the economy, Economic Modeling Specialist Inc., projects a job multiplier of 2.92. That means every new research job in eastern Idaho creates an additional 1.92 jobs. EMSI also forecasts a sales multiplier of 1.98 meaning that sales of the products affected by

the research or workers related to the research will nearly double the amount spent by each research related job.

The university and the Idaho National Laboratory have had many research projects under way for some time. Some have resulted in knowledge being transferred to the private sector for additional development and commercialization, which further contributes to the economy. Recently recognized projects include the university's Idaho Accelerator Center's development of methods to recognize and neutralize terrorist-related activities, biomedical analysis in genome science, assessment of highway pavement design to extend its life, determination of the ecological dynamics and biodiversity as applied to the Aleutian area of Alaska and development of a robotic hand to help veterans with hand amputations.

## COUNTY DEVELOPMENTS

### **BANNOCK COUNTY**

- The Bannock County Fair Board is planning to build a covered facility at the North County Fairgrounds, probably a 150-by-300-foot canvas covered steel framed building costing \$500,000 although a larger metal building is being considered as well.
- Construction of Hoku Materials appears to be on schedule for completion in late 2008. JH Kelly, a Longview, Wash., general contractor has been selected to build the new facility. A subsidiary of The Shaw Group will provide engineering, procurement and other services for the project. News reports indicate the company receives weekly orders from Asia businesses wanting more polysilicon. Currently Hoku has seven employees and expects to hire three or four more to provide administrative and technical support in planning and building the plant. The work force should grow to about 200 when the plant is operational.
- Governor C.L. "Butch" Otter has supported assessing the feasibility of establishing a medical school in Idaho. Idaho State University President Arthur Valais believes much of the infrastructure is already in place for a "virtual" medical school relying on the existing network of hospitals to train the state's next generation of medical professionals.
- Property valuations in Bannock County increased 11.6 percent from 2006 to 2007, according to the assessment records released by Bannock County Assessor JoLynn Anderson. The increase in property values is expected to lead to a decrease in the county's tax levy.
- The local economy benefited from both the Pocatello Marathon and the State Senior Summer Games. The Senior Games had 850 entrants, dou-

ble the number last year, and the Pocatello Marathon had nearly 850 entrants, about 200 more than in 2006.

- Gold's Gym has broken ground for a new gym in Pocatello, and construction of Ashley Home Furnishing in Pocatello Square is on schedule.
- The rebirth of Pocatello's warehouse district got a boost with the long awaited opening of Kinport Junction Warehouse, which houses A Fish off the Old Block, Pocatello Food Co-op, James Barrett Pilates & Cycling, Kinport Coffee, Spoil Me Day Spa, Senang Wine Bar and Tapas Bistro. Also drawn to the area has been Don Aslett's cleaning museum and warehouse. The museum will include displays of novelty janitorial equipment and an array of historical vacuums.
- The beginning of fall classes at Idaho State University also marked the opening of the Rendezvous Center on campus. The 255,000-square-foot center includes 50 classrooms, several apartment style rooms for students, a large lecture hall and a large social area. There are also plans for a planetarium. The building cost \$43.5 million and is the only one of its type in Idaho.
- A new Taco Bell, replacing one demolished in June, opened in Pocatello. It seats 90 and is owned by Craig and Nancy Moss, who have five other Taco Bells in Idaho.
- The new \$1.2 million long- and short-term parking lots at the Pocatello Airport are open. There will be no charge for parking since the Federal Aviation Administration helped finance the project. Lighting and sidewalks are still to be added.
- The Pocatello City Council will pay just over \$1 million to build a storm water drainage system and wetlands area, which will filter storm water runoff before it flows into the Portneuf River. Construction could begin as soon as mid-October.
- A Utah-based steel fabrication company has expressed interest in opening a plant at the Pocatello Airport. Petersen Inc. is a custom steel manufacturing, machining and warehousing company based in Ogden. It wants to negotiate a deal with Pocatello Development Partners and the airport management for space at the airport's business park. The company also announced a job fair Oct. 4-5 at the Pocatello Ameritel.

### **BEAR LAKE COUNTY**

- The county's first ever Parade of Homes was held in Bear Lake area. Eleven homes were included, displaying the craftsmanship of the contractors and subcontractors.

- Hennings Salvage and Recycling, operated by Scott and Lorie Hennings, opened in late August. In addition to salvage and recycling, the company will rent bins for construction and large cleanup projects.
- Bear Lake Memorial Hospital welcomed Dr. Uashu Thakur to the staff on Sept. 1. Thakur is a graduate of Bombay and Tulane Universities. He is board certified in internal medicine, nephrology, critical care and treatment of hypertension. The hospital board has also introduced a cardio-pulmonary rehabilitation service.
- Construction is under way on Bear Lake Stone's building in the Montpelier Industrial Park. Mayor Reed Peterson indicated other businesses may soon follow. He also speculated that Ryan Shaul may move his truss plant to the industrial park if plant expansion plans go forward.
- The first State of Bear Lake Conference was held Aug. 31 in Fish Haven. About 150 people from the region discussed how the area could grow and prosper and still maintain the rural life style many residents desire. Several contractors spoke about what they are doing to preserve the areas they are developing.
- As anticipated, the enrollment in the Bear Lake School District declined from 1,233 students a year ago to 1,160 this year and will affect state funding. Because the drop was anticipated, voters approved a \$500,000 property tax increase for this year to maintain budget levels, but concern remains about the district's future.

#### **BINGHAM COUNTY**

- A grant from the Rural Areas Enterprise Division of the U.S. Department of Agriculture to the Southeast Idaho Council of Governments will finance loans for Indian-owned business on the Fort Hall Reservation. The first grant of this type in Idaho will be used to set up a \$50,000 micro-loan program to fund small loans of \$500 to \$5,000 and to provide business planning assistance through the Snake River Business Association.
- The Eastern Idaho State Fair has always been recognized as one of the best in the Northwest. In addition to carnival rides, the fair features more than 250 commercial vendors, 60 food vendors and hundreds of live animal exhibits. Rain caused delays and cancellation of some horse races this year, but attendance was nearly 200,000 at the early September event. Carnival and concession revenues were higher than last year.
- Ground was broken for the \$60 million Logite waste treatment plant. The plant will convert solid waste into biofuel and building material using steam reformer technology. The county agreed to supply

30,000 tons of waste per year under a 20-year contract, paying \$55,000 a month for waste disposal but earning a 10 percent royalty on any material sales Logite has. The contract stipulates that Logite will provide free ethanol to the county or pay a fuel allowance of \$33,330 monthly.

- Shoshone-Bannock tribal leaders and Bingham County administrators have formed the Fort Hall Town Site Task Force to clean up abandoned cars, piles of debris and buildings in poor condition on the reservation. These areas are considered unsafe because of fire and vandalism.
- Fort Hall has a new radio station operated by an unpaid staff of disc jockeys ranging in age from 11 to 20. The station features an eclectic mix of programming airing daily from 6 a.m. to midnight. Signal transmission does not extend beyond the reservation boundaries. The station wants to promote and develop positive attitudes among its listeners.
- Neil Morgan, a well respected surveyor, has partnered with geomatics firm Dioptra, which specializes in land planning, mapping, designing subdivisions, conducting control surveys and finding boundaries. The firm is affiliated with Xcell Engineering and licensed civil engineer Paul Bastian.
- Ridgeline Energy LLC wants to expand its wind farm in Bingham County by 300 turbines. Only six of the firm's current windmills are in Bingham County. If approved, the additional windmills would stretch for 17 miles along the top of the Blackfoot Mountains. According to the application, the turbines will be installed in several phases.
- Gold's Gym in Blackfoot opened Aug. 25. Manager Nathan Ball owns the franchise with his family. The 22 employees were carefully chosen for their qualifications as personal trainers. Child care is available.
- Sartori Foods offered tours of its Blackfoot cheese processing plant following \$3 million in upgrades. The company received \$520,000 in grants from the state and partnered with the city of Blackfoot for improvements to sewer and waste water systems. The improvements enabled Sartori to maintain its payroll and it plans to hire 16 more workers.

#### **CARIBOU COUNTY**

- Newly refurbished rooms and kitchenettes await travelers and hunters in Bancroft at the remodeled Gem Motel.
- Negotiations are under way with Rhodia LLC to assess remediation of the Wooley Valley Mine in Caribou County. It is the latest of the mining site remediation projects that the U.S. Forest Service is overseeing in the county.

- A community review of Soda Springs identified confusion about the city's direction in terms of growth and development. While the area supports excellent heavy industry, technology and infrastructure need upgrading, and tourism should be more vigorously promoted. The review, which noted the residents' strong work ethic, suggested the area might want to attract value-added agriculture industries, light manufacturing, geothermal and a micro-brewery. The complete 80-page report should be delivered in the next couple of months.
- Mountain Island Energy General Manager Mitch Hart updated the Caribou Sun on the company's proposed Soda Springs Power Project. The company is a subsidiary of Terra Systems and develops energy and carbon-based projects in Idaho and neighboring states. In 2005 it opened an office in Soda Springs because their studies indicated the area would be a prime location for advanced clean coal-based power generation. That assessment was based on the strategic location of coal, railroads, high voltage power lines, water and a highly trained work force. Plans slowed when the Idaho Legislature imposed a two-year moratorium on coal-fired plants. The moratorium expires in April 2008, and Mountain Island Energy wants public opinion on its project for consideration by the Idaho Board of Environmental Quality.

#### **FRANKLIN COUNTY**

- Direct Communications of Rockland is installing fiber optic lines from Downey to Preston, which will provide Franklin County residents quicker loading of Web pages and e-mail, better Internet accessibility, improved ability to download video and music and more efficient delivery of large attachments.
- Dr. Jason Welker opened a chiropractic office in the Preston area after operating in Hyde Park, Utah, for seven years. He specializes in manipulation, acupuncture, deep tissue work, electrical therapy and ultrasound treatments.
- Clifton residents are debating their zoning and comprehensive plan. Of most concern is the size of subdivision lots and restrictions on businesses allowed in the city.
- Six major commercial projects in Franklin County this year created new construction jobs and will likely add additional jobs in business operations. The Franklin County Grain Growers is building a 7,200-square-foot retail store next to its current facility. ALCO Department Stores has started work on a \$1.5 million, 25,000-square-foot retail facility. Trails West Manufacturing is spending \$700,000 for a 33,000-square-foot plant. Chateau Mill and Supply has nearly completed a \$500,000, 12,000-square-foot cabinet manufacturing plant. Valley Implement is constructing

a 25,000-square-foot addition to its building on U.S. Highway 91 at a cost of \$800,000. Earlier this summer a new \$2 million LaTienda convenience store and café with fuel storage and distribution tanks was built in Franklin.

- In addition to the privately funded projects, the Preston School District is building a \$3.2 million, 60,000-square-foot gymnasium and classroom complex. A \$1.2 million auditorium being built in Dayton has been ongoing and is expected to cost at least \$1.2 million.
- The building moratorium imposed late last year, imposed until development guidelines were written for subdivision applications in unincorporated Franklin County, has been lifted. Preliminary paperwork on four small subdivisions has already been filed, and paperwork for a 70-lot subdivision is expected to be filed soon.

#### **ONEIDA COUNTY**

- Sysco Corp. has named Moss Trucking one of the best small fleet carriers in the nation. Sysco is the largest food service distributor in North America and is known globally for selling, marketing and distributing food products. Moss Trucking is located in Malad and has been owned and operated for 25 years by Ken and Jim Moss. The company has been associated with Sysco for over 10 years.
- Oneida County Hospital installed a new digital imaging system, which eliminates the need for film when doing medical imaging. The Internet-based system allows doctors outside the area to view images, including those developed with ultrasound equipment.
- The Oneida County Hospital Board is continuing to study the feasibility of a new hospital and medical complex. The estimated cost is \$15 million to \$17 million.

#### **POWER COUNTY**

- American Falls is renovating the Marina at American Falls Reservoir this fall. In addition to extensive riprap work, the facility will be enlarged. There will be 12 new camp sites and a new bathroom with showers. Most of the \$500,000 cost is being covered through grants.
- Officials of Southeast Idaho Energy held an open house on the company's plans for an advanced coal gasification plant northwest of American Falls. John Burk said his company wants to be a good neighbor and a positive addition to the community. The permitting process for phase one of the project has begun with the Idaho Department of Environmental Quality.

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